



STAFF REPORT INFORMATION ONLY

Audit Plan for the Year Ending December 31, 2025

Date: December 1, 2025

To: Toronto Public Library Board

From: City Librarian

SUMMARY

The purpose of this report is to provide the Audit Planning Report for the year ending December 31, 2025 from KPMG LLP, the external auditors, on the planning for their audit of the 2025 financial statements for the Toronto Public Library Board, for information.

FINANCIAL IMPACT

The proposed audit fee of \$55,000, inclusive of expenses and exclusive of Harmonized Sales Tax, is an increase of \$2,000 over the \$53,000 fee paid to KPMG for the 2024 audit. Funding for the audit of the 2025 financial statements is provided for in the 2025 operating budget.

The Director, Finance & Chief Financial Officer has reviewed this financial impact statement and agrees with it.

ALIGNMENT WITH STRATEGIC PLAN

The audit of the 2025 financial statements will support several of TPL's strategic plan objectives across all priorities including social connection, civic engagement and democracy; shared community spaces; learning and growth; and awareness and availability. The 2025 audit provides the assurance needed to ensure the resources allocated to TPL are being accounted for and recorded appropriately. Furthermore, there are sufficient controls in place for these resources to be utilized as intended, to advance actions identified within TPL's strategic plan to achieve the objectives and outcomes identified within each of the priority areas.

ISSUE BACKGROUND

Under Section 139 of the [City of Toronto Act, 2006](#), the City is required to appoint an auditor licensed under the Public Accounting Act, 2004, who is responsible for annually auditing the accounts and transactions of the City and its local boards, and expressing an opinion on the financial statements of these entities based on the audit.

The City issued a [request for proposal](#) for external audit services, including the Toronto Public Library Board, for 2025 to 2029, and KPMG was the successful proponent. This is the first year of a five-year audit contract that the City has negotiated. The contract with KPMG will end with the audit of the December 31, 2029 financial statements.

COMMENTS

As part of the annual audit, KPMG provides an Audit Planning Report to the Toronto Public Library Board. The Audit Planning Report for the year ending December 31, 2025 is appended as Attachment 1. It contains the audit strategy which includes initial audit materiality, risk assessment, key milestones and deliverables, audit quality and appendices including current developments.

On completion of the audit, KPMG will issue the audited financial statements and a year-end report to the Board that will provide significant audit, accounting and financial reporting matters, internal control recommendations and a confirmation of auditor independence.

The auditors will conduct its audit of the 2025 financial statements pursuant to this plan.

CONTACT

Marco Cuoco; Director, Finance & Chief Financial Officer; Tel: 416-397-5946;
Email: mcuoco@tpl.ca

SIGNATURE

Moe Hosseini-Ara
City Librarian

ATTACHMENTS

Attachment 1: Toronto Public Library Board – Audit Planning Report
for the year ending December 31, 2025



Toronto Public Library Board

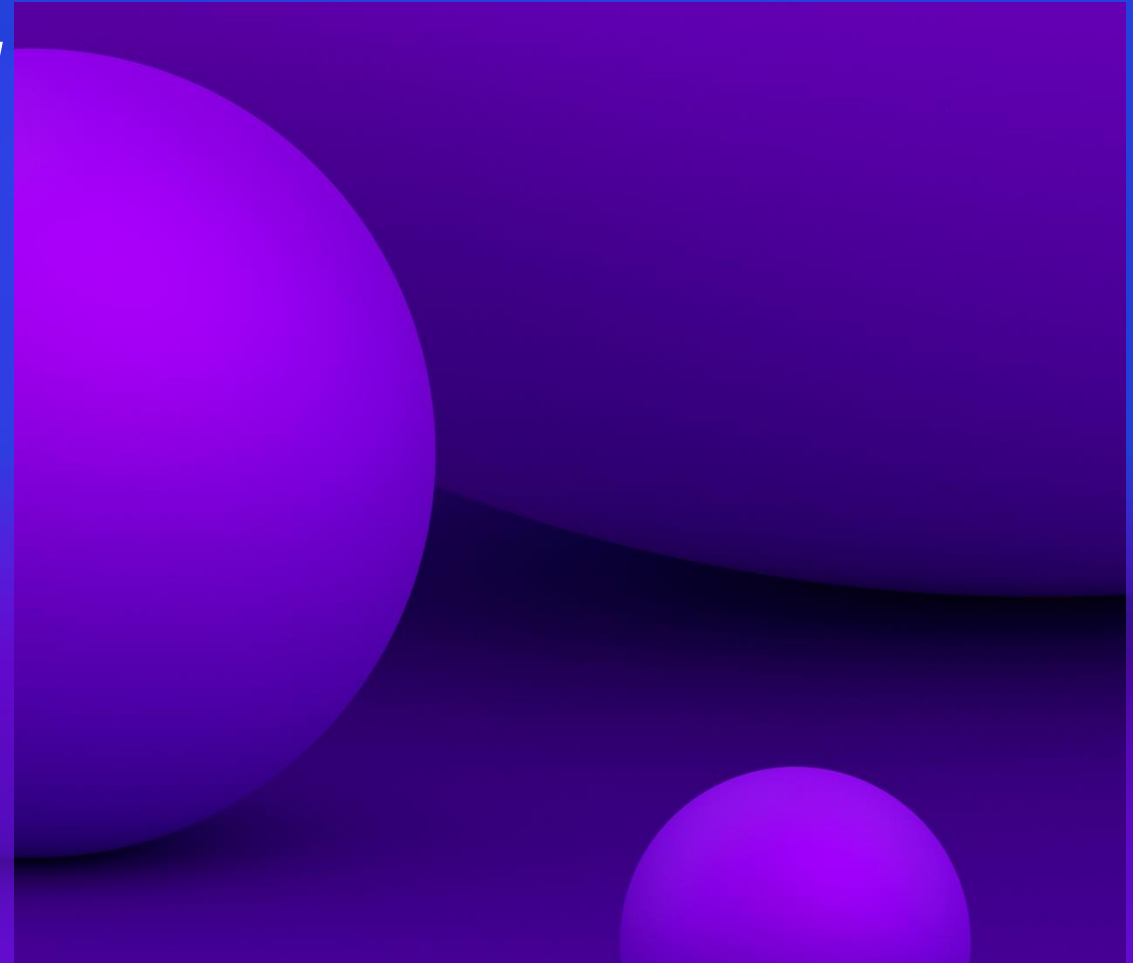
**Audit Planning Report
for the year ending
December 31, 2025**

A stylized signature of 'KPMG LLP' in a cursive, handwritten font, with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public
Accountants

Prepared as of October 28, 2025

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



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Appendices

Digital use information

This Audit Planning Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.



Audit highlights



No matters to report



Matters to report – see link for details

Scope

Our audit of the financial statements (“financial statements”) of Toronto Public Library Board (the “Board” or the “Library”) as of and for the year ending December 31, 2025, will be performed in accordance with Canadian generally accepted auditing standards.

Audit Strategy

Materiality \$8,190,000

Involvement of others



Updates to our prior year audit plan



Risk Assessment



Risk of management override of controls



Presumed risk of fraud involving improper revenue recognition



Other risks of material misstatements



- Cash and cash equivalent
- Capital assets
- Revenue and accounts receivable
- Deferred revenue
- Due to/from the City, City of Toronto Revenue and Province of Ontario Revenue
- Employee future benefits
- Accounts payable, accrued liabilities and operating expenses

The purpose of this report is to assist you, as a member of the Board of Directors, in your review of the plan for our audit of the financial statements. This report is intended solely for the information and use of Management, and the Board of Directors and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report to the Board of Directors has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Updates to our prior year audit plan

Other significant changes



Newly effective auditing standards



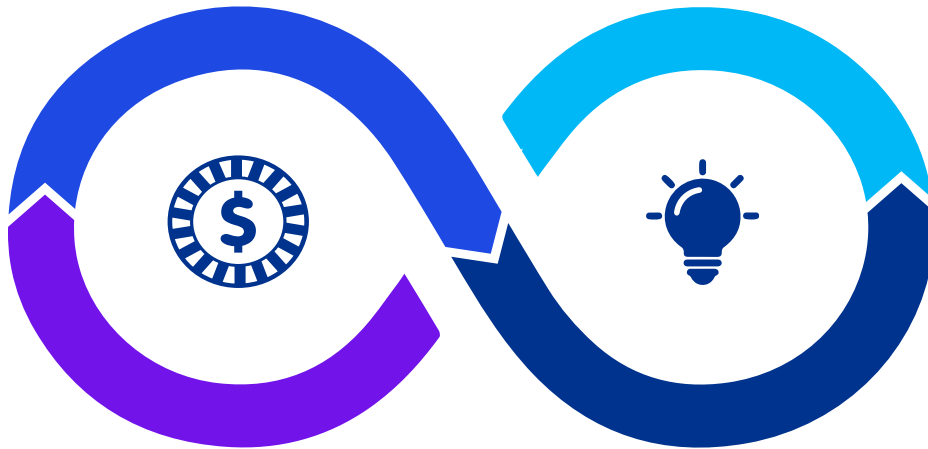
Refer to Appendix C for details new standards impacting the fiscal 2025 audit.

Newly effective
auditing standards





Materiality



We **initially determine materiality** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of **professional judgement**, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We **reassess materiality** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Plan and perform the audit

We **initially determine materiality** to provide a basis for:

- Determining the nature, timing and extent of risk assessment procedures;
- Identifying and assessing the risks of material misstatement; and
- Determining the nature, timing, and extent of further audit procedures.

We design our procedures to detect misstatements at a level less than materiality in individual accounts and disclosures, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

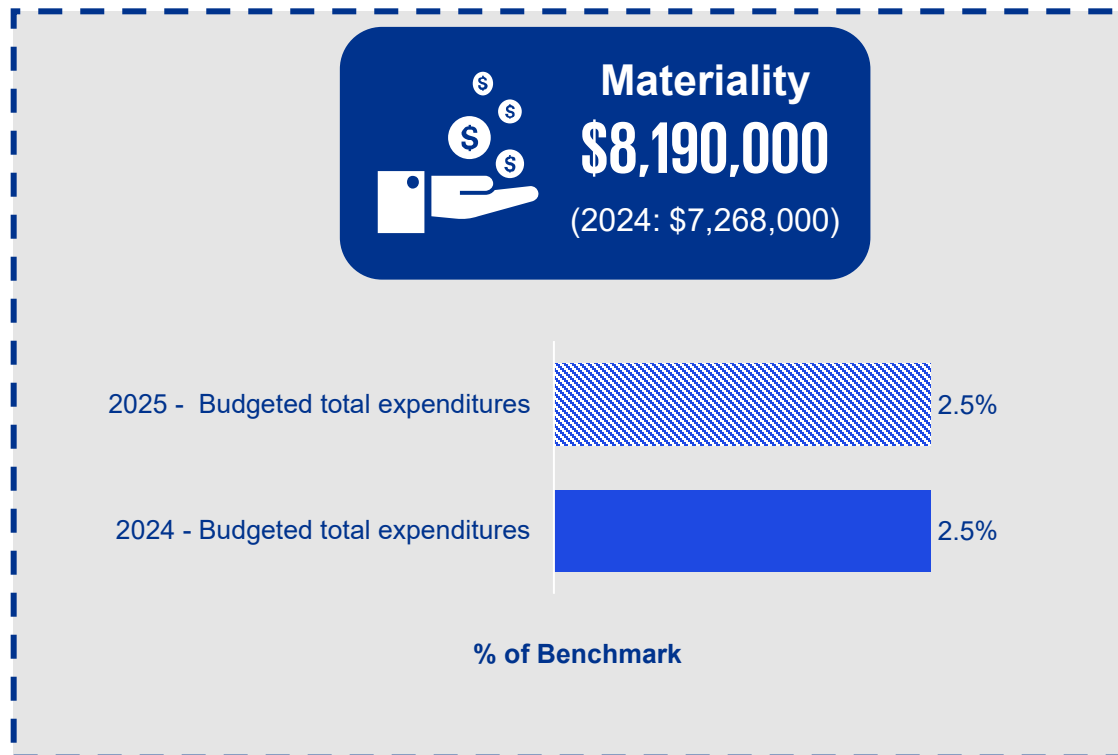
Evaluate the effect of misstatements

We also **use materiality** to evaluate the effect of:

- Identified misstatements on our audit; and
- Uncorrected misstatements, if any, on the financial statements and in forming our opinion.



Initial materiality



Note that planning materiality was determined based on budgeted total expenditures for the year and will be recalculated at year-end using actual total expenditures. Any changes will be communicated to the Members of the Board through year-end reporting.

Benchmark: Total Expenditures

\$327,600,358
(2024: \$290,725,054)

Performance Materiality (PM)

\$6,140,000
(2024: \$5,451,000)

Audit Misstatement Posting Threshold (AMPT)

\$409,000
(2024: \$363,000)



Significant risks



Management Override of Controls (non-rebuttable significant risk of material misstatement)

RISK OF



FRAUD

**Presumption
of the risk of fraud
resulting from
management
override of
controls**

Why is it significant?

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

Our planned response

As this presumed risk of material misstatement due to fraud is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include:

- testing of journal entries and other adjustments,
- performing a retrospective review of estimates,
- evaluating the business rationale of significant unusual transactions.





Other areas of focus

Areas	Risk due to error	Audit approach
Cash and cash equivalents	Completeness, existence and accuracy of cash and presentation of related note disclosures.	<ul style="list-style-type: none"> • Obtain confirmations of the year-end cash and cash equivalents balances from third parties. • Review year-end bank and substantive testing of significant reconciling items. • Review of financial statement note disclosures in accordance with Public Sector Accounting Standards (PSAS).
Capital assets	Risk of material misstatement related to existence and accuracy of capital assets and accuracy of timing of revenue recognition, particularly related to funds intended for tangible capital assets additions and contributed assets.	<ul style="list-style-type: none"> • Substantive tests of details over additions and disposals. • Review amortization policy and perform recalculations. • Review management's impairment assessment. • Perform analysis of triggering events and impairment of tangible capital assets. • For asset retirement obligations ("ARO"), inquire with management to understand any changes to management's assumptions about the timing and cost of future retirement activities. Evaluate any changes in estimates related to the ARO. • Assess external factors that may impact the ARO, such as changes in technology, environmental regulations, or market conditions that could affect the cost of retirement activities. • Review of financial statement note disclosures in accordance with PSAS.



Other areas of focus

Areas	Risk due to error	Audit approach
Revenue and accounts receivable	Risk of material misstatement related to the occurrence and completeness of revenue and accuracy of timing of revenue recognition.	<ul style="list-style-type: none"> Assess revenue recognition considerations (deferred vs. recognized). Perform a reconciliation of accounts receivable and review sub-ledger for credit balances. Assess the reasonability of the Allowance for Doubtful Accounts balance in the current year. Select samples from user charges, donations and other grants, and other revenue and agree to supporting documentation to ensure revenue recognition is appropriate.
Deferred Revenue	Risk of material misstatement due to management assessment and judgment involved.	<ul style="list-style-type: none"> Inquire of management on the nature of various deferral revenue. Select samples of inflows for deferred revenues, agreed to supporting documentation and ensured appropriate deferrals were made. Select samples of outflow for deferred revenues, agreed to supporting documentation and ensured appropriate revenue recognitions or refund reversals were made.
Due to/from the City, City of Toronto Revenue and Province of Ontario Revenue	Risk of material misstatement related to completeness and accuracy of transaction with City of Toronto Revenue and Province of Ontario Revenue	<ul style="list-style-type: none"> Obtain an understanding over the revenue recognition policy and controls in place. Obtain confirmation from City of Toronto to ensure existence, accuracy and completeness of the intercompany receivable/payable balance and revenue. Obtain grant approval letter from Ontario Ministry of Heritage, Sport, Tourism and Culture Industries to ensure the existence, accuracy and completeness of Province of Ontario Revenue.



Other areas of focus

Areas	Risk due to error	Audit approach
Employee future benefits	Risk of material misstatement related to accuracy and occurrence of expenses.	<ul style="list-style-type: none"> Obtain confirmation of balances directly with third party actuaries. As a significant estimate, we will evaluate the data, method and assumptions applied in the valuations and perform trend analysis on the liability. Evaluate the discount rate in comparison with rates issued by the Canadian Institute of Actuaries and KPMG LLP. Assess the qualifications, competence and objectivity of the actuaries as required by the Canadian auditing standards. Review of financial statement note disclosures in accordance with PSAS.
Accounts payable, accrued liabilities and operating expenses	Risk of material misstatement related to completeness and accuracy of liabilities and operating expenses.	<ul style="list-style-type: none"> Review supporting documentation for significant accruals. Perform a search for unrecorded liabilities by extracting lists of subsequent payments and accounts payable details and selected samples for testing. Select a sample of expense transactions and agree to original invoices to ensure the proper classification of expenses.



Required inquiries of the committee



Inquiries regarding risk assessment, including fraud risks

- What are the Audit Committee's views about fraud risks, including management override of controls, in the Board? And have you taken any actions to respond to any identified fraud risks?
- Is the Audit Committee aware of, or has the Audit Committee identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets?
 - If so, have the instances been appropriately addressed and how have they been addressed?
- How does the Audit Committee exercise oversight over management's assessment of fraud risk and the establishment of controls to address/mitigate fraud risks?
- Is the Audit Committee aware of any instances of actual or possible violations of laws and regulations, including illegal acts (irrespective of materiality threshold)?
- Is the Audit Committee aware of any correspondence with regulators or licensing authorities?
- Is the Audit Committee aware of any additional matters relevant to the audit?



Inquiries regarding company processes

- Is the Audit Committee aware of or have they received tips or complaints regarding the Board's financial reporting (including those received through the Committee's internal whistleblower program, if such programs exist)? If so, what was the Audit Committee's responses to such tips and complaints?

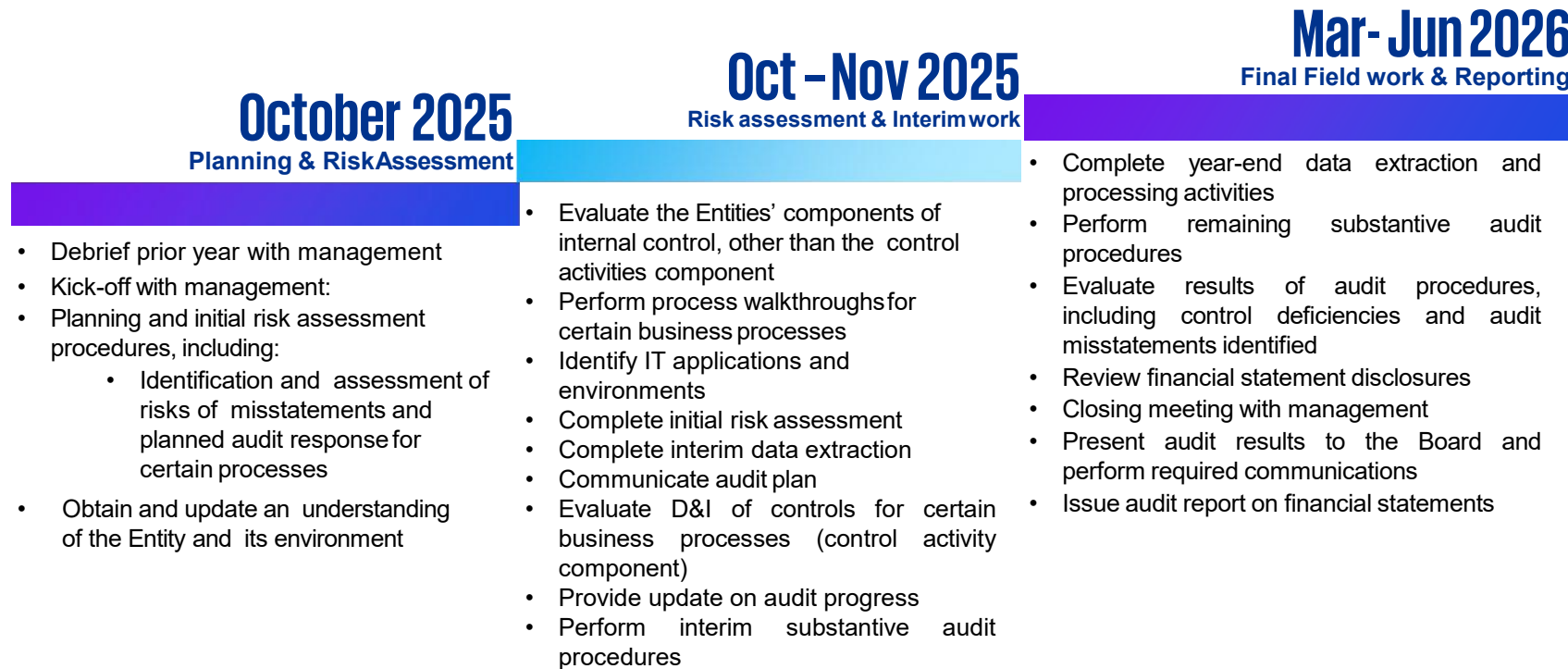


Inquires regarding related parties and significant unusual transactions

- Is the Audit Committee aware of any instances where the Board entered into any significant unusual transactions?
- What is the Audit Committee's understanding of the Board's relationships and transactions with related parties that are significant to the Board?
- Is the Audit Committee concerned regarding relationships or transactions with related parties? If so, what is the substance of those concerns?



Key milestones and deliverables





Our commitment to delivering audit quality

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.

KPMG is committed to fulfilling our public interest role in providing robust assurance that can benefit investors and other stakeholders.

Businesses are integrating technology in ways once unimaginable. Geopolitical changes and inflationary pressures continue to drive uncertainty, and businesses need to take action to respond to societal threats like climate change.

The pace and scale of change only strengthens our resolve to ensure the quality, consistency and adaptability of our services are fit for this new future. Audit and assurance quality remains the highest priority at KPMG.

Through sustained innovation, we aim to consistently deliver superior audit quality. Across the global organization:

- KPMG firms have implemented a consistent risk-based approach to our system of quality management to drive audit and assurance quality, enabling us to meet the requirements of the International Standard on Quality Management 1 (ISQM 1).
- We are utilising powerful technologies on audit and assurance engagements, including artificial intelligence, and leveraging our alliances with technology leaders such as Microsoft to further enhance quality and provide even more value through deeper analysis of businesses, no matter their size.
- We believe the same level of rigour, quality, consistency and trust that is applied to financial statement information by companies should also apply to ESG reporting. Therefore, across the global organization we have deployed an assurance methodology, KPMG Clara workflow and learning tools to upskill and build teams to provide assurance on ESG reporting that helps our clients build a more sustainable future.

We encourage you to read our Transparency Report to learn more about our system of quality management and our firm's statement on the effectiveness of our SoQM:



[KPMG Canada Transparency Report](#)



How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority.

We have strengthened the consistency and robustness of our system of quality management to meet the requirements of ISQM 1 (CSQM 1), issued by the International Audit and Assurance Standards Board. Foundational for quality management, KPMG's globally consistent approach to ISQM 1 drives compliance with the standard and our efforts to strengthen trust and transparency with clients, the capital markets and the public we serve.

Aligned with ISQM 1 (CSQM 1), our SoQM meets the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements.

Our **Global Quality Framework** outlines how we deliver quality and how every KPMG professional contributes to its delivery.



'**Perform quality engagements**' sits at the core, along with our commitment to continually monitor and remediate to fulfil our quality drivers.



Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.



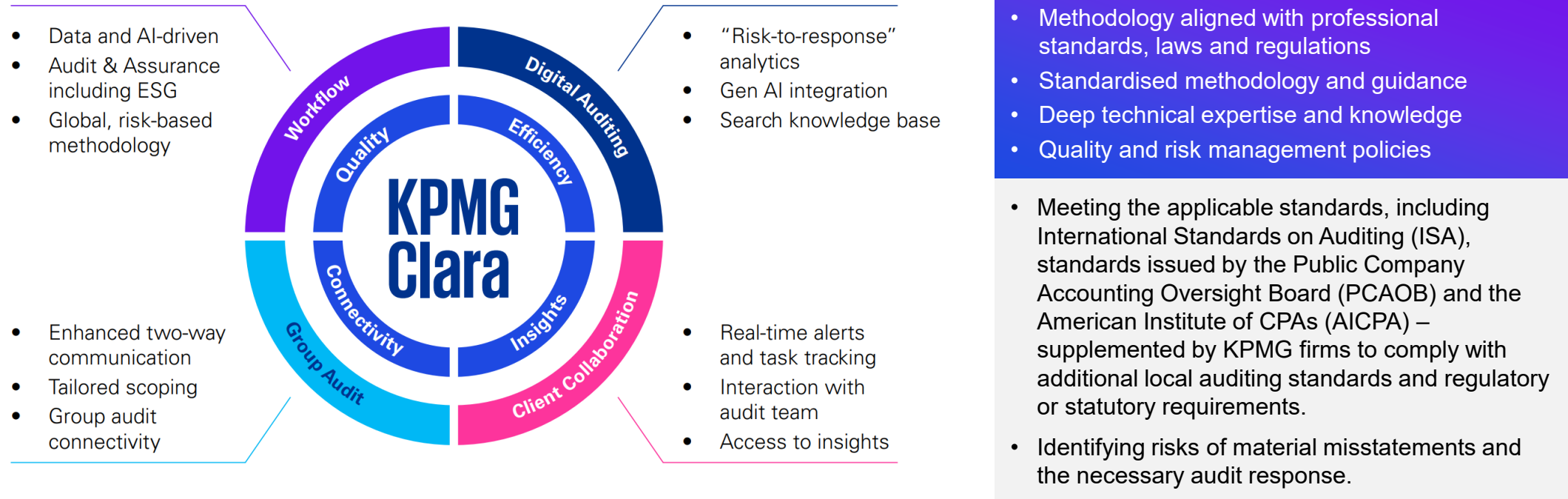
Doing the right thing. Always.



The KPMG Audit

Globally consistent audit and assurance methodology and tools

As a scalable, intuitive cloud-based platform, KPMG Clara is driving globally consistent execution across all KPMG member firms. It enables delivery of KPMG audit and assurance methodologies through data-enabled workflows, which align with the applicable audit and assurance standards and provide an improved experience to audit and assurance professionals.





Appendices

A

Regulatory
communications

B

New accounting
standards

C

New audit standards

D

Municipal
Government Service
Offerings

E

Insights

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Use of technology





Appendix A: Regulatory communications



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform Audit Committees and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Regulatory Oversight Report: 2022 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2023 Interim Inspections Results](#)
- [CPAB Regulatory Oversight Report: 2023 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2024 Interim Inspections Results](#)
- [CPAB Regulatory Oversight Report: 2024 Annual Inspections Results](#)



Appendix B: Changes in accounting standards

Standard	Summary and implications
Concepts Underlying Financial Performance	<ul style="list-style-type: none"> The revised conceptual framework is effective for fiscal years beginning on or after April 1, 2026 (the <i>Board's December 31, 2027 year-end</i>) with earlier adoption permitted. The framework provides the core concepts and objectives underlying Canadian public sector accounting standards. The ten-chapter conceptual framework defines and elaborates on the characteristics of public sector entities and their financial reporting objectives. Additional information is provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts are introduced.
Financial Statement Presentation	<ul style="list-style-type: none"> The proposed section PS 1202 <i>Financial statement presentation</i> will replace the current section PS 1201 <i>Financial statement presentation</i>. PS 1202 <i>Financial statement presentation</i> will apply to fiscal years beginning on or after April 1, 2026 (the <i>Board's December 31, 2027 year-end</i>) to coincide with the adoption of the revised conceptual framework. Early adoption will be permitted. The section includes the following: <ul style="list-style-type: none"> Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained. Separating liabilities into financial liabilities and non-financial liabilities. Restructuring the statement of financial position to present total assets followed by total liabilities. Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities). Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called "accumulated other". A new provision whereby an entity can use an amended budget in certain circumstances. Inclusion of disclosures related to risks and uncertainties that could affect the entity's financial position.



Appendix B: Changes in accounting standards continued

Standard	Summary and implications
Employee benefits	<ul style="list-style-type: none"> • The Public Sector Accounting Board has initiated a review of sections PS 3250 Retirement benefits and PS 3255 Post-employment benefits, compensated absences and termination benefits. • The intention is to use principles from International Public Sector Accounting Standard 39 Employee benefits as a starting point to develop the Canadian standard. • Given the complexity of issues involved and potential implications of any changes that may arise from the review of the existing guidance, the new standards will be implemented in a multi-release strategy. The first standard will provide foundational guidance. Subsequent standards will provide additional guidance on current and emerging issues. • The proposed section PS 3251 Employee benefits will replace the current sections PS 3250 Retirement benefits and PS 3255 Post-employment benefits, compensated absences and termination benefits. • This proposed section would result in public sector entities recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position. Organizations would also assess the funding status of their post-employment benefit plans to determine the appropriate rate for discounting post-employment benefit obligations. • Final approval of the standard is expected in Spring 2026, with an effective date of April 1, 2029 (<i>the Board's December 31, 2030 year-end</i>).
2024-2025 Annual Improvements to Public Sector Accounting Standards	<ul style="list-style-type: none"> • The Public Sector Accounting Board has issued an exposure draft proposing terminology updates and amendments to align various sections of the PSA Handbook with PSAB's Conceptual Framework and Reporting Model. • The comment period is closed. Final amendments are expected to be issued in November 2025, with an effective date of April 1, 2026 (<i>the Board's December 31, 2027 year-end</i>).



Appendix B: Changes in accounting standards continued

Standard	Summary and implications
Tangible Capital Assets	<ul style="list-style-type: none"> The Public Sector Accounting Board has issued amendments to Section PS 3150 in May 2025 as part of implementing its Government Not-for-Profit Strategy, which incorporates the PS 4200 series into public sector accounting standards with potential customizations. The amendments add: <ul style="list-style-type: none"> a new criterion to the definition of a tangible capital asset; a new definition of a collection; new disclosure requirements for works of art, historical treasures and/or collections; new guidance for situations where an entity purchases a tangible capital asset at substantially below fair value; and new guidance for situations where an entity receives contributed materials and/or labour when constructing or developing a tangible capital asset For public sector entities that have not applied the PS 4200 series, the amendments to this Section are effective for fiscal periods beginning on or after April 1, 2030 (<i>the Board's December 31, 2031 year-end</i>). The amendments would be applied retroactively with restatement of prior periods except for the amendments related to purchases of tangible capital assets at substantially below fair value and including in the cost of a constructed or developed tangible capital asset, the contributed materials and/or labour, which are applied only to new transactions or events from the date of change
Elevation of GAAP Designation of Application Guidance	<ul style="list-style-type: none"> The Public Sector Accounting Board has issued amendments to elevate the level of generally accepted accounting principles (GAAP) designated for four CPA Canada Public Sector Accounting Handbook Appendices (i.e., what level of GAAP an appendix comprises) The GAAP designation level (i) per GAAP hierarchy in paragraph 03(d) of Section PS 1150, Generally Accepted Accounting Principles has been specified and paragraphs renumbered as AG.02, AG.02, etc. for four application guidance appendices: <ul style="list-style-type: none"> Appendix A to Section PS 3400, Revenue; Appendix B to Section PS 3410, Government Transfers; Appendix A to Section PS 3450, Financial Instruments; and Appendix A to Section PS 4270, Disclosure of Allocated Expenses by Not-for-Profit Organizations. The elevation of the GAAP designation of these four application guidance appendices is effective for fiscal years beginning on or after April 1, 2026(<i>the Board's December 31, 2027 year-end</i>).



Appendix B: Changes in accounting standards continued

Standard	Summary and implications
Lessee Accounting for Operating Leases of Tangible Capital Assets	<ul style="list-style-type: none"> The Public Sector Accounting Board has issued the following amendments to PSG-2, Leased Tangible Capital Assets <ul style="list-style-type: none"> deleted an outdated cross-reference to Section 3065, Leases in former Part V of the CPA Canada Handbook – Accounting, pre-changeover accounting standards, in Appendix A to PSG-2, Leased Tangible Capital Assets; renamed Appendix A as the glossary is no longer identified as an appendix, consistent with other glossaries in the PSA Handbook; added paragraphs PSG-2.4A-4C of to set out minimal requirements for lessee accounting for operating leases of tangible capital assets; and replaced the deleted cross-reference in the appendix with a reference to new paragraphs PSG-2.4A-4C These changes do not comprise a change in practice and are effective immediately.
Intangible Assets, Proposed Section 3155	<ul style="list-style-type: none"> The Public Sector Accounting Board has issued an exposure draft proposing a new intangible assets standard that will replace Public Sector Guideline (PSG) 8, Purchased Intangibles. The proposed standard provides foundational guidance on intangible assets including the definition, recognition, measurement and required disclosures of intangible assets. The proposed standard covers both acquired and internally generated intangible assets. PSG-8 content has been incorporated into the new section, ensuring continuity of recognition for purchased intangibles. The scope of the proposed standard excludes intangible assets addressed in other Sections of the PSA Handbook, as well as other intangible items such as exploration and extraction costs for non-renewable resources or intangible assets related to insurance contracts. In alignment with PSAB's international strategy, the proposed guidance leveraged principles from the existing International Public Sector Accounting Standard (IPSAS) 31, Intangible Assets. The comment period is closed and under review.





Appendix C: Newly effective and upcoming changes to auditing standards

Effective for periods beginning on or after December 15, 2024

ISA 260/CAS 260

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Communications
with those charged
with governance

Summary of Changes:

New requirements for the auditor to communicate:

- about the relevant ethical requirements, including those related to independence, that the auditor applied to the audit of the financial statements; and
- any enhanced independence requirement that the auditor applied specific to the audit of financial statements of certain entities.

ISA 700/CAS 700

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Forming an opinion
and reporting on
the financial
statements

Summary of Changes:

New requirements for the auditor to publicly disclose when the auditor applied independence requirements specific to audits of financial statements of certain entities WHEN the ethical requirements require public disclosure.



Appendix D: Municipal Government Service Offerings



Municipal Government Service Offerings

Governance, Risk and Compliance Services

Overview

KPMG's Governance, Risk and Compliance services team has vast experience working with clients across the municipal government sector, assessing organizations risk management, internal control and governance processes and providing value adding insight across our municipal government clients. KPMG has a successful track record and are the leading service provider of municipal government services across a variety of audit areas including operations, finance, service delivery reviews, cyber security and HR. KPMG also provides full outsourced and co-sourced audit services to a number of municipalities, helping clients to identify more efficient and effective ways of delivering their services and streamlining costs. Below we have provided further details of our service offerings to municipalities.

Experience

KPMG brings a wealth of practical experience delivering services to municipal government clients. We have listed some example audited areas below.

• Absence Management	• Cyber Security	• Insurance	• Real Estate
• Accounts Payable	• Enforcement	• IT Governance	• Reserves
• Accounts Receivable and Cash Handling	• Facility Management	• Overtime	• Recruitment and Retention
• Asset Management	• Fleet Inventory	• Parks and Recreation	• Remuneration
• By-Law Compliance	• Fleet Management	• Physical Security	• Snow Clearing
• Councillor Budgets	• Health and Safety	• Procurement	• Support Functions

Client list

We are the leading municipal government advisor in Ontario in relation to internal audit, compliance, service delivery and process reviews. We have shown below a summary of the municipalities we have provided services to.

Client list

We are the leading municipal government advisor in Ontario in relation to internal audit, compliance, service delivery and process reviews. We have shown below a summary of the municipalities we have provided services to:





Appendix D: Municipal Government Service Offerings cont'd:

Review areas

Below we have shown an examples of the types of reviews we have conducted through our work with Ontario Municipalities

Internal Audit reviews

- Review of the design and operation of key business controls
- Identifying recommendations to improve and optimize the control environment
- Using data analytics and visualization to test large data sets
- Examples include AP, cash handling and Fleet Inventory



Control Testing Analysis



Process Flow Charts



Opportunity Scorecard

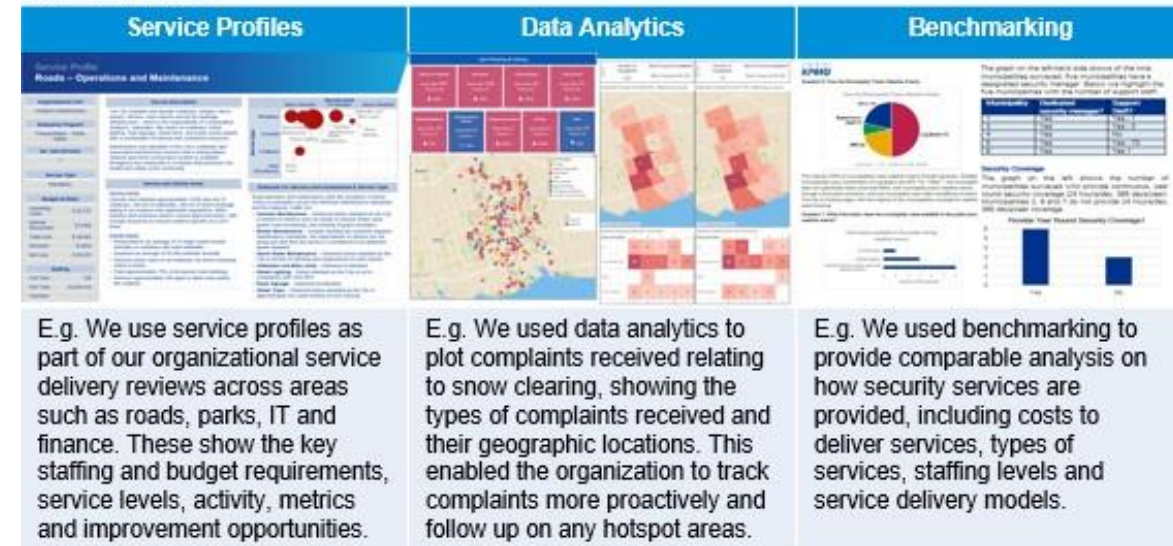
Service delivery/process reviews

- Review of the operational efficiency and effectiveness of a service area
- Using lean methodologies to identify more efficient and effective ways of delivering services.
- Creation of process maps and identification of opportunities to streamline processes and create cost savings
- Examples include Snow Clearing, Parks & Recreation and Security

Specialist reviews

- Using specialist KPMG resources to provide assurance and recommendations across specialist service areas
- Using best practice methodologies and frameworks to provide value adding insights and recommendations
- Examples include, Cyber Security, IT Risk Assessments, Facilities and Real Estate

Additional Services



Contact Us

Should you like to discuss our not-for-profit services further, or would like to discuss our work in more detail, please contact;



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Appendix E: Audit and assurance insights

Our latest thinking on the issues that matter most to Audit Committees, board of directors and management.

KPMG Audit & Assurance Insights

Curated research and insights for audit committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Assurance & Related Services, Canadian Securities Matters, and US Outlook reports.

Accelerate - The key issues driving the audit committee agenda

Discover the most pressing risks and opportunities that face audit committees, boards and management teams.

Sustainability Reporting

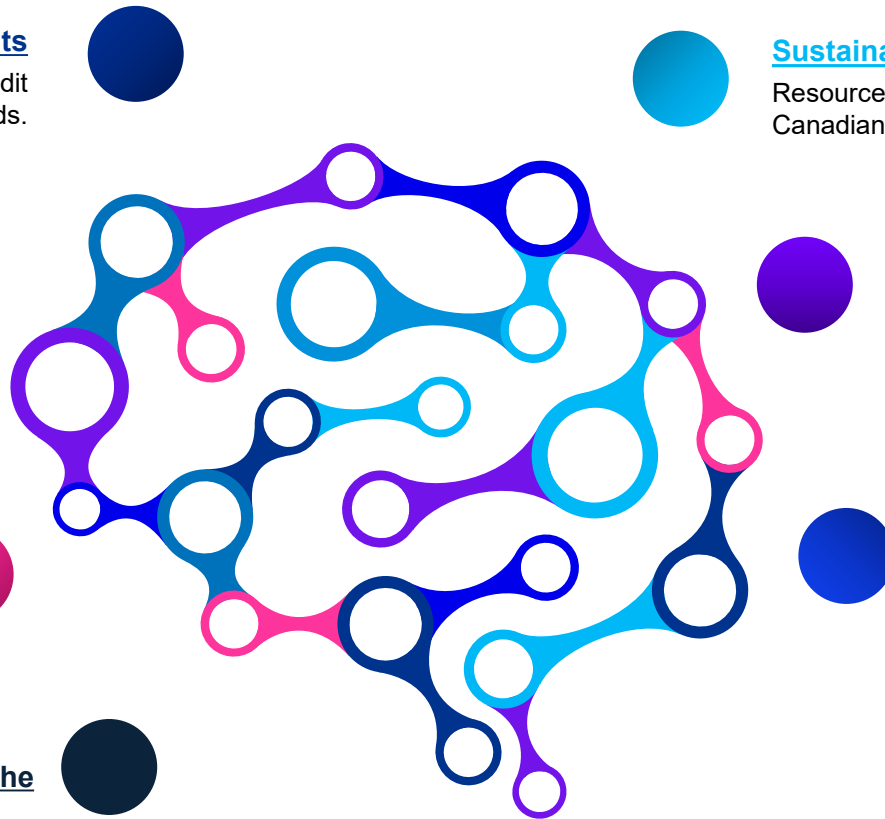
Resource centre on implementing the new Canadian reporting standards

IFRS Breaking News

A monthly Canadian newsletter that provides the latest insights on accounting, financial reporting and sustainability reporting.

Audit Committee Guide – Canadian Edition

A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada.





Appendix F: Use of technology – KPMG Clara



Streamlined client experience

And deeper insights into your business, translating to a better audit experience.



Secure

A secure client portal provides centralized, efficient coordination with your audit team.



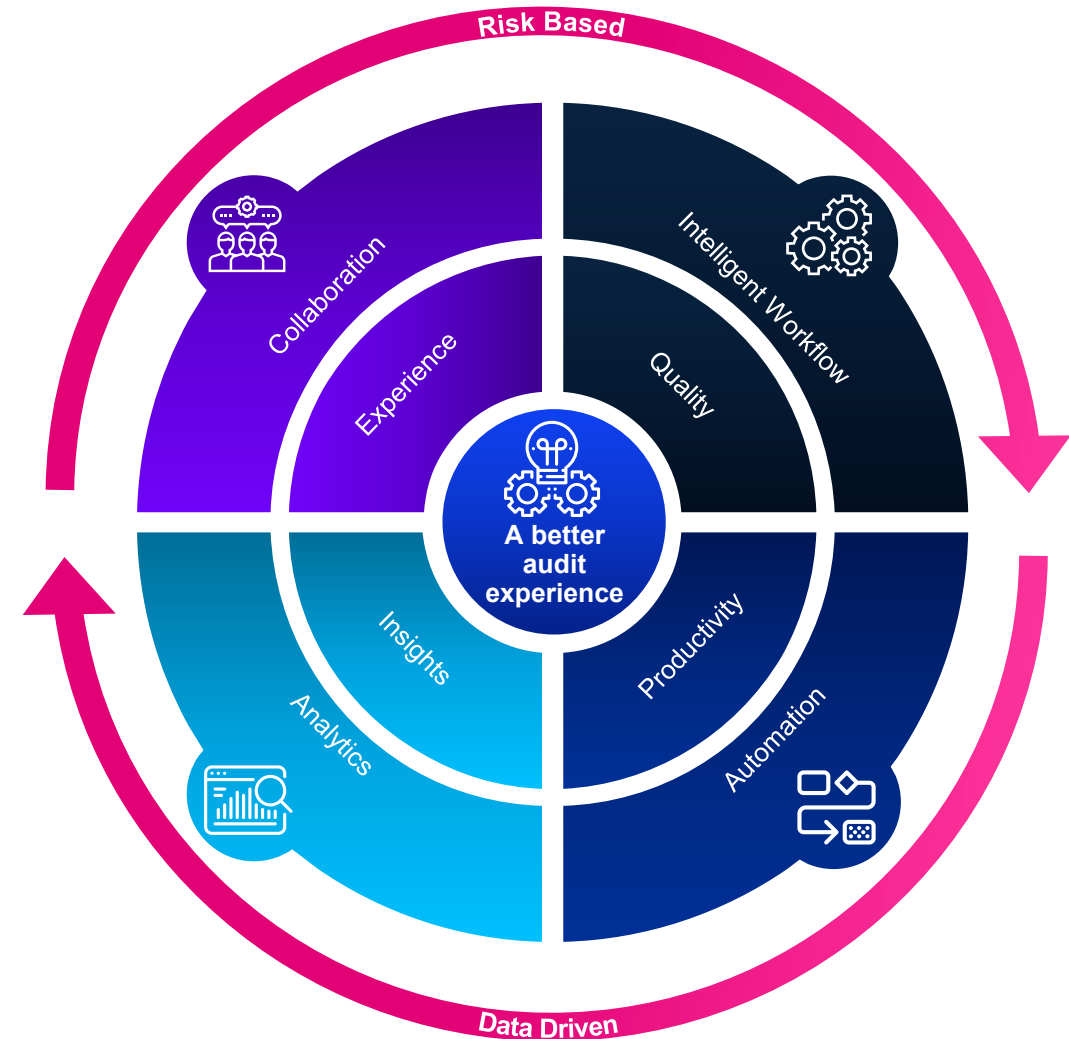
Intelligent workflow

An intelligent workflow guides audit teams through the audit.



Increased precision

Advanced data analytics and automation facilitate a risk-based audit approach, increasing precision and reducing your burden.





Appendix F: Continuous evolution

Our continued investment

We continue to expand our strategic alliance partnerships with Microsoft and MindBridge to bring AI to the future of audit.

Responsive delivery model

Tailored to you to drive impactful outcomes around the quality and effectiveness of our audits.

Result: A better experience

Enhanced quality, reduced disruption, increased focus on areas of higher risk, and deeper insights into your business.





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